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CL 38275

N 20781-4

19582 F0338

Number of pages 18	Recorded as Mortgage Tax on the within instrument $ 78.5 and $ 270 AUG 23 1999 EDWARD P. ROMAINE CLERK OF SUFFOLK COUNTY	RECORDED 99 AUG 23 PM 12:31 EDWARD P. ROMAINE SUFFOLK COUNTY
TORRENS		
Serial #		
Certificate #		
Prior Ctf #		
Deed / Mortgage Instrument	Deed / Mortgage Tax Stamp	Recording / Filing Stamps

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FEES

Page / Filing Fee	5	Mortgage Amt.	38,000
Handling		1. Basic Tax	540
TP-584		2 Additional Tax	245
Notation		Sub Total	785
TA-52 17 (County)	Sub Total	Spec /Addl or Spec /Add	270
TA-5217 (State)		TOT MTG TAX	1055
RPTSA	15	Dual Town ____ Dual County ____ Held for Apportionment	
Comm of Ed		Transfer Tax	
Affidavit		Mansion Tax The property covered by this mortgage is or will be improved by a one or two family dwelling only: YES ____ or NO ____ If NO, see appropriate tax clause on page # of this instrument	
Certified Copy			
Reg Copy			
Other	Sub Total 20		
	GRAND TOTAL 19		

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5 Real Property Tax Service Agency Verification

	Dist	Section	Block	Lot
Suffolk County	0100	136.00	03.00	040000
Date 8/20/99				
Initial				

6 Community Preservation Fund

Consideration Amount $

CPF Tax Due $

Improved ____

Vacant Land

TD ____

TD ____

TD

7 Satisfactions/Discharges/Releases List Property Owners Mailing Address
RECORD & RETURN TO:

Berkman Henoch Peterson
Peddy PC
100 Garden City Plaza.
2nd fl.
Garden City, NY 11530

8 Title Company Information

Co Name North Shore Abstract

Title # N 20781.5

9 Suffolk County Recording & Endorsement Page

This page forms part of the attached Mortgage made by

(SPECIFY TYPE OF INSTRUMENT)

Robert W. Gerdis and Lynn A. Gerdis

to

Reliance Federal Savings Bank

The premises herein is situated in SUFFOLK COUNTY, NEW YORK.

In the Township of Babylon

In the VILLAGE or HAMLET of West Babylon

BOXES 5 THRU 9 MUST BE TYPED OR PRINTED IN BLACK INK ONLY PRIOR TO RECORDING OR FILING

(OVER)

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RECORD AND RETURN TO:

BERKMAN, HENOCH, PETERSON & PEDDY, P.C.
100 GARDEN CITY PLAZA, 2ND FLOOR
GARDEN CITY, N.Y. 11530

Dist 0100
Sec 136.00
Blk 08
Lot 040.000
Suffolk Co

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[Space Above This Line For Recording Data]

MORTGAGE

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WORDS USED OFTEN IN THIS DOCUMENT

(A) "Security Instrument." This document, which is dated August 11, 1999, will be called the "Security Instrument."

(B) "Borrower" ROBERT W. GERDIS & LYNN A. GERDIS
73 MIDWOOD AVENUE, FARMINGDALE, N.Y. 11735

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sometimes will be called "Borrower" and sometimes simply "I" or "me."

(C) "Lender." RELIANCE FEDERAL SAVINGS BANK

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will be called "Lender." Lender is a corporation or association which exists under the laws of the United States of America
Lender's address is
585 Stewart Avenue, Garden City, N.Y. 11530

(D) "Note." The note signed by Borrower and dated August 11, 1999, will be called the "Note."
The Note shows that I owe Lender ONE HUNDRED EIGHT THOUSAND DOLLARS AND 00/100

Dollars (U.S. $108,000.00) plus interest.
I have promised to pay this debt in monthly payments and to pay the debt in full by September 01, 2029.
(E) "Property." The property that is described below in the section titled "Description of the Property," will be called the "Property."
(F) "Sums Secured." The amounts described below in the section titled "Borrower's Transfer to Lender of Rights in the Property" sometimes will be called the "Sums Secured."

BORROWER'S TRANSFER TO LENDER OF RIGHTS IN THE PROPERTY

I mortgage, grant and convey the Property to Lender subject to the terms of this Security Instrument. This means that, by signing this Security Instrument, I am giving Lender those rights that are stated in this Security Instrument and also those rights that the law gives to lenders who hold mortgages on real property. I am giving Lender these rights to protect Lender from possible losses that might result if I fail to:
(A) Pay all the amounts that I owe Lender as stated in the Note;
(B) Pay, with interest, any amounts that Lender spends under Paragraphs 2 and 7 of this Security Instrument to protect the value of the Property and Lender's rights in the Property; and
(C) Keep all of my other promises and agreements under this Security Instrument

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SCHEDULE A

ALL that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the Town of Babylon, County of Suffolk and State of New York, being known and designated as part of Lots 75 and 76 on a certain map entitled, "Map of Legion Park, Section No. 1, situated in the Town of Babylon, Suffolk County, Long Island, surveyed by T.F. Selva, Licensed Land Surveyor, Merrick, Long Island" and filed in the Office of the Clerk of the County of Suffolk as Map No. 1640 on July 26, 1948, and being more particularly bounded and described as follows:

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BEGINNING at a point on the Southerly side of 17th Street, distant 360 feet Easterly from the corner formed by the intersection of the Southerly side of 17th Street with the Easterly side of 14th Street;

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RUNNING THENCE Easterly along the Southerly side of 17th Street, 60 feet;

THENCE Southerly at right angles to the Southerly side of 17th Street, 125 feet;

THENCE Westerly and parallel with the Southerly side of 17th Street, 60 feet;

THENCE Northerly and again at right angles to the Southerly side of 17th Street, 125 feet to the Southerly side of 17th Street at the point or place of BEGINNING.

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DESCRIPTION OF THE PROPERTY

I give Lender rights in the Property described in (A) through (G) below:

(A) The Property which is located at 144 17TH STREET
[Street]

WEST BABYLON , New York 11704 . This Property is in
[City] [Zip Code]

DIST: [illegible] SUFFOLK County. It has the following legal description:
LOT: 40

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SEE SCHEDULE A ANNEXED HERETO

THIS MORTGAGE COVERS REAL PROPERTY IMPROVED, OR TO BE IMPROVED BY A ONE OR TWO FAMILY RESIDENCE OR DWELLING ONLY.

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Not For Legal Use

Not For Legal Use

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(B) All buildings and other improvements that are located on the Property described in subparagraph (A) of this section;
(C) All rights in other property that I have as owner of the Property described in subparagraph (A) of this section. These rights are known as "easements and appurtenances attached to the Property";
(D) All rights that I have in the land which lies in the streets or roads in front of, or next to, the Property described in subparagraph (A) of this section;
(E) All fixtures that are now or in the future will be on the Property described in subparagraphs (A) and (B) of this section;
(F) All of the rights and property described in subparagraphs (B) through (E) of this section that I acquire in the future; and
(G) All replacements of or additions to the Property described in subparagraphs (B) through (F) of this section.

BORROWER'S RIGHT TO MORTGAGE THE PROPERTY AND BORROWER'S OBLIGATION TO DEFEND OWNERSHIP OF THE PROPERTY

I promise that: (A) I lawfully own the Property; (B) I have the right to mortgage, grant and convey the Property to Lender; and (C) there are no outstanding claims or charges against the Property, except for those which are of public record.

I give a general warranty of title to Lender. This means that I will be fully responsible for any losses which Lender suffers because someone other than myself has some of the rights in the Property which I promise that I have. I promise that I will defend my ownership of the Property against any claims of such rights.

PLAIN LANGUAGE SECURITY INSTRUMENT

This Security Instrument contains promises and agreements that are used in real property security instrument all over the country. It also contains other promises and agreements that vary, to a limited extent, in different parts of the country. My promises and agreements are stated in "plain language."

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COVENANTS

I promise and I agree with lender as follows:

1. BORROWER'S PROMISE TO PAY
I will pay to Lender on time principal and interest due under the Note and any prepayment and late charges due under the Note.

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2. MONTHLY PAYMENTS FOR TAXES AND INSURANCE.
(A) Borrower's Obligations
I will pay to Lender all amounts necessary to pay for taxes, assessments, water frontage charges and other similar charges, sewer rents, leasehold payments or ground rents (if any), hazard or property insurance covering the Property, and flood insurance (if any). If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, (i) I also will pay to Lender all amounts necessary to pay for mortgage insurance, and (ii) if, under Paragraph 8 below, instead of paying for mortgage insurance I am required to pay Lender an amount equal to the cost of mortgage insurance, I will pay this amount to Lender. I will pay all of these amounts to Lender unless Lender tells me, in writing, that I do not have to do so, or unless the law requires otherwise. I will make these payments on the same day that my monthly payments of principal and interest are due under the Note.

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My payments under this Paragraph 2 will be for the items listed in (i) through (vi) below, which are called "Escrow Items":
(i) The estimated yearly taxes, assessments, water frontage charges and other similar charges, and sewer rents on the Property which under the law may be superior to this Security Instrument as a lien on the Property. Any claim, demand or charge that is made against property because an obligation has not been fulfilled is known as a "lien";
(ii) The estimated yearly leasehold payments or ground rents on the Property (if any);
(iii) The estimated yearly premium for hazard or property insurance covering the Property;
(iv) The estimated yearly premium for flood insurance covering the Property (if any);
(v) The estimated yearly premium for mortgage insurance (if any); and
(vi) The estimated yearly amount I may be required to pay Lender under Paragraph 8 below instead of the payment of the estimated yearly premium for mortgage insurance (if any).

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Lender will estimate from time to time the amount I will have to pay for Escrow Items by using existing assessments and bills and reasonable estimates of the amount I will have to pay for Escrow Items in the future, unless the law requires Lender to use another method for determining the amount I am to pay. The amounts that I pay to Lender for Escrow Items under this Paragraph 2 will be called the "Funds." The Funds are pledged as additional security for all Sums Secured.

The law puts limits on the total amount of funds Lender can at any time collect and hold. This total amount cannot be more than the maximum amount a lender for a "federally related mortgage loan" could require me to place in an "escrow account" under the federal law called the "Real Estate Settlement Procedures Act of 1974," as that law may be amended from time to time. If there is another law that imposes a lower limit on the total amount of Funds Lender can collect and hold, Lender will be limited to the lower amount.

(B) Lender's Obligations
Lender will keep the Funds in a savings or banking institution which has its deposits insured by a federal agency, instrumentality, or entity, or in any Federal Home Loan Bank. If Lender is such a savings or banking institution, Lender may hold the Funds. Except as described in this Paragraph 2, Lender will use the Funds to pay the Escrow Items. Lender will give to me, without charge, an annual accounting of the Funds. That accounting must show all additions to and deductions from the Funds and the reason for each deduction.

Lender may not charge me for holding or keeping the Funds, for using the Funds to pay Escrow Items, for making a yearly analysis of my payment of Funds or for receiving, verifying and totaling assessments and bills. However, Lender may charge me for these services if Lender pays me interest on the Funds and if the law permits Lender to make such a charge. Lender also may require me to pay a one-time charge for an independent real estate tax reporting service used by Lender in connection with my loan, unless the law does not permit Lender to make such a charge. Lender will not be required to pay me any interest or earnings on the Funds unless either (i) Lender and I agree in writing, at the time I sign this Security Instrument, that Lender will pay interest on the Funds; or (ii) the law requires Lender to pay interest on the Funds.

(C) Adjustments to the Funds
Under the law, there is a limit on the amount of Funds Lender may hold. If the amount of Funds held by Lender exceeds this limit, then the law requires Lender to account to me in a special manner for the excess amount of Funds. There will be an excess amount if, at any time, the amount of Funds which Lender is holding or keeping is greater than the amount of Funds Lender is allowed to hold under the law.

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If, at anytime, Lender has not received enough Funds to make the payments of Escrow Items when the payments are due, Lender may tell me in writing that an additional amount is necessary. I will pay to Lender whatever additional amount is necessary to pay the Escrow Items in full. Lender will determine the number of monthly payments I have in which to pay that additional amount, but the number of payments will not be more than twelve.

When I have paid all of the Sums Secured, Lender will promptly refund to me any Funds that are then being held by Lender. If, under Paragraph 21 below, Lender either acquires or sells the Property, then before the acquisition or sale, Lender will use any Funds which Lender is holding at the time of the acquisition or sale to reduce the Sums Secured.

3. APPLICATION OF BORROWER'S PAYMENTS

Unless the law requires otherwise, Lender will apply each of my payments under the Note and under Paragraphs 1 and 2 above in the following order and for the following purposes:

First, to pay any prepayment charges due under the Note;

Next, to pay the amounts due to Lender under Paragraph 2 above;

Next, to pay interest due;

Next, to pay principal due; and

Last, to pay any late charges due under the Note.

4. BORROWER'S OBLIGATION TO PAY CHARGES, ASSESSMENTS AND CLAIMS

I will pay all taxes, assessments, water frontage charges and other similar charges, sewer rents, and any other charges and fines that may be imposed on the Property and that may be superior to this Security Instrument. I will also make payments due under my lease if I am a tenant on the Property and I will pay groundy rents (if any) due on the Property. I will do this either by making the payments to Lender if Lender has described in Paragraph 2 above or if I am not required to make payments under Paragraph 2, by making the payments on time to the person owed them. (In this Security Instrument, the word "person" means any person, organization, governmental authority or other party.) If I make direct payments, then promptly after making any of those payments I will give Lender a receipt which shows that I have done so. If I make payments to Lender under Paragraph 2, I will give Lender all notices or bills that I receive for the amounts due under this Paragraph 4.

I will promptly pay or satisfy all liens against the Property that may be superior to this Security Instrument. However, this Security Instrument does not require me to satisfy a superior lien if: (A) I agree, in writing, to pay the obligation which gave rise to the superior lien and Lender approves the way in which I agree to pay that obligation; or (B) in good faith, I argue or defend against the superior lien in a lawsuit so that, during the lawsuit, the superior lien may not be enforced; or (C) I secure from the holder of that other lien an agreement, approved in writing by Lender, that the lien of this Security Instrument is superior to the lien held by that person. If Lender determines that any part of the Property is subject to a superior lien, Lender may give Borrower a notice identifying the superior lien. Borrower shall pay or satisfy the superior lien or take one or more of the actions set forth above within 10 days of the giving of notice.

5. BORROWER'S OBLIGATION TO MAINTAIN HAZARD INSURANCE OR PROPERTY INSURANCE

I will obtain hazard or property insurance to cover all buildings and other improvements that now are or in the future will be located on the Property. The insurance must cover loss or damage caused by fire, hazards normally covered by "extended coverage" hazard insurance policies and other hazards for which Lender requires coverage, including floods and flooding. The insurance must be in the amounts and for the periods of time required by Lender. I may choose the insurance company, but my choice is subject to Lender's approval. Lender may not refuse to approve my choice unless the refusal is reasonable. If I do not maintain the insurance coverage described above, Lender may obtain insurance coverage to protect Lender's rights in the Property in accordance with Paragraph 7 below.

All of the insurance policies and renewals of those policies must include what is known as a "standard mortgage clause" to protect Lender. The form of all policies and renewals must be acceptable to Lender. Lender will have the right to hold the policies and renewals. If Lender requires, I will promptly give Lender all receipts of paid premiums and renewal notices that I receive.

If there is a loss or damage to the Property, I will promptly notify the insurance company and Lender. If I do not promptly prove to the insurance company that the loss or damage occurred, then Lender may do so.

The amount paid by the insurance company is called "proceeds." The proceeds will be used to repair or to restore the damaged Property unless: (A) it is not economically feasible to make the repairs or restoration; or (B) the use of the proceeds for that purpose would lessen the protection given to Lender by this Security Instrument ; or (C) Lender and I have agreed in writing not to use the proceeds for that purpose. If the repair or restoration is not economically feasible or if it would lessen Lender's protection under this Security Instrument, then the proceeds will be used to reduce the amount that I owe to Lender under the Note and under this Security Instrument. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me.

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If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that the insurance company has offered to settle a claim, Lender may collect the proceeds. Lender may use the proceeds to repair or restore the Property or to pay the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes.

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If Lender acquires the Property under Paragraph 21 below, all of my rights in the insurance policies will belong to Lender. Also, all of my rights in any proceeds which are paid because of damage that occurred before the Property is acquired by Lender or sold will belong to Lender. However, Lender's rights in those proceeds will not be greater than the Sums Secured immediately before the Property is acquired by Lender or sold.

6. BORROWER'S OBLIGATIONS TO OCCUPY THE PROPERTY, TO MAINTAIN AND PROTECT THE PROPERTY, AND TO FULFILL ANY LEASE OBLIGATIONS; BORROWER'S LOAN APPLICATION

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(A) Borrower's Obligation to Occupy the Property

I will occupy the Property and use the Property as my principal residence within sixty days after I sign the Security Instrument. I will continue to occupy the Property and to use the Property as my principal residence for at least one year. The one-year period will begin when I first occupy the Property. However, I will not have to occupy the Property and use the Property as my principal residence within the time frames set forth above if Lender agrees in writing that I do not have to do so. Lender may not refuse to agree unless the refusal is reasonable. I also will not have to occupy the Property and use the property as my principal residence within the time frames set forth above if extenuating circumstances exist which are beyond my control.

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(B) Borrower's Obligations to Maintain and Protect the Property

I will keep the Property in good repair. I will not destroy, damage or harm the Property, and I will not allow the Property to deteriorate.

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I will be in default under this Security Instrument if I fail to keep any promise or agreement made in this Security Instrument. I also will be in default under this Security Instrument if any civil or criminal action or proceeding for "forfeiture" (that is, a legal action or proceeding to require the Property, or any part of the Property, to be given up) is begun and Lender determines, in good faith, that this action or proceeding could result in a court ruling (i) that would require forfeiture of the Property or (ii) that would materially impair the lien of this Security Instrument or Lender's rights in the Property. I may correct the default by obtaining a court ruling that dismisses the legal action or proceeding, if Lender determines, in good faith, that this court ruling prevents forfeiture of my interests in the Property and also prevents any material impairment of (i) the lien created by this Security Instrument or (ii) Lender's rights in the Property. If I correct the default, I will have the right to have enforcement of this Security Instrument discontinued, as provided in Paragraph 18 below, even if Lender has required immediate payment in full.

(C) Borrower's Obligations to Fulfill Any Lease Obligations

If I do not own but am a tenant on the Property, I will fulfill all my obligations under my lease. I also agree that, if I acquire the fee title to the Property, my lease interest and the fee title will not merge unless Lender agrees to the merger in writing.

(D) Borrower's Loan Application

If, during the application process for the loan that I promise to pay under the Note, I made false or inaccurate statements to Lender about information important to Lender in determining my eligibility for the loan, Lender will treat my actions as a default under this Security Instrument. False or inaccurate statements about information important to Lender would include a misrepresentation of my intentions to occupy the Property as a principal residence. This is just one example of a false or inaccurate statement of important information. Also, if during the loan application process I failed to provide Lender with information important to Lender in determining my eligibility for the loan, Lender will treat this as a default under this Security Instrument.

7. LENDER'S RIGHT TO PROTECT ITS RIGHTS IN THE PROPERTY

If: (A) I do not keep my promises and agreements made in this Security Instrument, or (B) someone, including me, begins a legal proceeding that may significantly affect Lender's rights in the Property (such as a legal proceeding in bankruptcy, in probate, for condemnation or forfeiture, or to enforce laws or regulations), Lender may do and pay for whatever is necessary to protect the value of the Property and Lender's rights in the Property. Lender's actions may include appearing in court, paying reasonable attorneys' fees and entering on the Property to make repairs. Although Lender may take action under this Paragraph 7, Lender does not have to do so.

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I will pay to Lender any amounts, with interest, which Lender spends under this Paragraph 7. I will pay those amounts to Lender when Lender sends me a notice requesting that I do so. I will also pay interest on those amounts at the Note rate. Interest on each amount will begin on the date that the amount is spent by Lender. However, Lender and I may agree in writing to terms of payment that are different from those in this paragraph. This Security Instrument will protect Lender in case I do not keep this promise to pay those amounts with interest.

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8. MORTGAGE INSURANCE

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for the mortgage insurance. If, for any reason, the mortgage insurance coverage lapses or ceases to be in effect, I will pay the premiums for substantially equivalent mortgage insurance coverage. However, the cost of this mortgage insurance coverage must be substantially equivalent to the cost to me of the previous mortgage insurance coverage, and the alternate mortgage insurer must be approved by Lender.

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If substantially equivalent mortgage insurance coverage is not available, Lender will establish a "loss reserve" as a substitute for the mortgage insurance coverage. I will pay to Lender each month an amount equal to one-twelfth of the yearly mortgage insurance premium (as of the time the coverage lapsed or ceased to be in effect). Lender will retain these payments, and will use these payments to pay for losses that the mortgage insurance would have covered. Lender may choose to no longer require loss reserve payments, if mortgage insurance coverage again becomes available and is obtained. The mortgage insurance coverage must be in the amount and for the period of time required by Lender. The Lender must approve the insurance company providing the coverage.

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I will pay the mortgage insurance premiums or the loss reserve payments, until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. Lender may require me to pay the premiums, or the loss reserve payments, in the manner described in Paragraph 2 above.

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9. LENDER'S RIGHT TO INSPECT THE PROPERTY

Lender, and others authorized by Lender, may enter on and inspect the Property. They must do so in a reasonable manner and at reasonable times. Before or at the time an inspection is made, Lender must give me notice stating a reasonable purpose for the inspection.

10. AGREEMENTS ABOUT CONDEMNATION OF THE PROPERTY

A taking of property by any governmental authority by eminent domain is known as "condemnation." I give to Lender my right: (A) to proceeds of all awards or claims for damages resulting from condemnation or other governmental taking of the Property; and (B) to proceeds from a sale of the Property that is made to avoid condemnation. All of those proceeds will be paid to Lender.

If all of the Property is taken, the proceeds will be used to reduce the Sums Secured. If any of the proceeds remain after the amount that I owe to Lender has been paid in full, the remaining proceeds will be paid to me.

Unless Lender and I agree otherwise in writing, if only a part of the Property is taken, and the fair market value of the Property immediately before the taking either is equal to, or greater than, the amount of the Sums Secured immediately before the taking, the amount that I owe to Lender will be reduced only by the amount of proceeds multiplied by a fraction. That fraction is as follows: (A) the total amount of the Sums Secured immediately before the taking, divided by (B) the fair market value of the Property immediately before the taking. The remainder of the proceeds will be paid to me.

Unless Lender and I agree otherwise in writing or unless the law requires otherwise, if only a part of the Property is taken, and the fair market value of the Property immediately before the taking is less than the amount of the Sums Secured immediately before the taking, the proceeds will be used to reduce the Sums Secured.

If I abandon the Property, or if I do not answer, within 30 days, a notice from Lender stating that a governmental authority has offered to make a payment or to settle a claim for damages, Lender has the authority to collect the proceeds. Lender may then use the proceeds to repair or restore the Property or to reduce the Sums Secured. The 30-day period will begin when the notice is given.

If any proceeds are used to reduce the amount of principal which I owe to Lender under the Note, that use will not delay the due date or change the amount of any of my monthly payments under the Note and under Paragraphs 1 and 2 above. However, Lender and I may agree in writing to those delays or changes

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11. CONTINUATION OF BORROWER'S OBLIGATIONS AND OF LENDER'S RIGHTS

(A) Borrower's Obligations

Lender may allow a person who takes over my rights and obligations to delay or to change the amount of the monthly payments of principal and interest due under the Note or under this Security Instrument. Even if Lender does this, however, that person and I will both still be fully obligated under the Note and under this Security Instrument.

Lender may allow these delays or changes for a person who takes over my rights and obligations, even if Lender is requested not to do so. Lender will not be required to bring a lawsuit against such a person for not fulfilling obligations under the Note or under this Security Instrument, even if Lender is requested to do so.

(B) Lender's Rights

Even if Lender does not exercise or enforce any right of Lender under this Security Instrument or under the law, Lender will still have all of those rights and may exercise and enforce them in the future. Even if Lender obtains insurance, pays taxes, or pays other claims, charges or liens against the Property, Lender will have the right under Paragraph 21 below to demand that I make immediate payment in full of the amount that I owe to Lender under the Note and under this Security Instrument.

12. OBLIGATIONS OF BORROWER AND OF PERSONS TAKING OVER BORROWER'S RIGHTS OR OBLIGATIONS

Any person who takes over my rights or obligations under this Security Instrument will have all of my rights and will be obligated to keep all of my promises and agreements made in this Security Instrument. Similarly, any person who takes over Lender's rights or obligations under this Security Instrument will have all of Lender's rights and will be obligated to keep all of Lender's agreements made in this Security Instrument.

If more than one person signs this Security Instrument as Borrower, each of us is fully obligated to keep all of Borrower's promises and obligations contained in this Security Instrument. Lender may enforce Lender's rights under this Security Instrument against each of us individually or against all of us together. This means that any one of us may be required to pay all of the Sums Secured. However, if one of us does not sign the Note: (A) that person is signing this Security Instrument only to give that person's rights in the Property to Lender under the terms of this Security Instrument; and (B) that person is not personally obligated to pay the Sums Secured; and (C) that person agrees that Lender may agree with the other Borrowers to delay enforcing any of Lender's rights or to modify or make any accommodations with regard to the terms of this Security Instrument or the Note without that person's consent.

13. LOAN CHARGES

If the loan secured by this Security Instrument is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed permitted limits (A) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (B) any sums already collected from Borrower which exceeded permitted limits will be refunded to Borrower. Lender may choose to make this refund by reducing the principal owed under the Note or by making a direct payment to Borrower. If a refund reduces principal, the reduction will be treated as a partial prepayment without any prepayment charge under the Note.

14. NOTICES REQUIRED UNDER THIS SECURITY INSTRUMENT

Any notice that must be given to me under this Security Instrument will be given by delivering it or by mailing it by first class mail unless applicable law requires use of another method. The notice will be addressed to me at the address stated in the section above titled "Description of the Property." A notice will be given to me at a different address if I give Lender a notice of my different address. Any notice that must be given to Lender under this Security Instrument will be given by mailing it to Lender's address stated in subparagraph (C) of the section above titled "Words Used Often In This Document." A notice will be mailed to Lender at a different address if Lender gives me a notice of the different address. A notice required by this Security Instrument is given when it is mailed or when it is delivered according to the requirements of this Paragraph 14 or of applicable law.

15. LAW THAT GOVERNS THIS SECURITY INSTRUMENT

This Security Instrument is governed by federal law and the law that applies in the place where the Property is located. If any term of this Security Instrument or of the Note conflicts with the law, all other terms of this Security Instrument and of the Note will still remain in effect if they can be given effect without the conflicting term. This means that any terms of this Security Instrument and of the Note which conflict with the law can be separated from the remaining terms, and the remaining terms will still be enforced.

Not For Legal Use

16. BORROWER'S COPY
I will be given one conformed copy of the Note and of this Security Instrument.

17. AGREEMENTS ABOUT LENDER'S RIGHTS IF THE PROPERTY IS SOLD OR TRANSFERRED
Lender may require immediate payment in full of all Sums Secured by this Security Instrument if all or any part of the Property, or if any right in the Property, is sold or transferred without Lender's prior written permission. Lender also may require immediate payment in full if a beneficial interest in Borrower is sold or transferred and Borrower is not a natural person. However, Lender shall not require immediate payment in full if this is prohibited by federal law on the date of this Security Instrument.

Not For Legal Use

If Lender requires immediate payment in full under this Paragraph 17, Lender will give me a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or delivered. If I do not make the required payment during that period, Lender may act to enforce its rights under this Security Instrument without giving me any further notice or demand for payment.

Not For Legal Use

18. BORROWER'S RIGHT TO HAVE LENDER'S ENFORCEMENT OF THIS SECURITY INSTRUMENT DISCONTINUED
Even if Lender has required immediate payment in full, I may have the right to have enforcement of this Security Instrument discontinued. I will have this right at any time before sale of the Property under any power of sale granted by this Security Instrument or at any time before a judgment has been entered enforcing this Security Instrument if I meet the following conditions:
(A) I pay to Lender the full amount that then would be due under this Security Instrument and the Note as if immediate payment in full had never been required; and
(B) I correct my failure to keep any of my other promises or agreements made in this Security Instrument; and
(C) I pay all of Lender's reasonable expenses in enforcing this Security Instrument including, for example, reasonable attorneys' fees; and
(D) I do whatever Lender reasonably requires to assure that Lender's rights in the Property, Lender's rights under this Security Instrument, and my obligations under the Note and under this Security Instrument continue unchanged.

Not For Legal Use

If I fulfill all of the conditions in this Paragraph 18, then the Note and this Security Instrument will remain in full effect as if immediate payment in full had never been required. However, I will not have the right to have Lender's enforcement of this Security Instrument discontinued if Lender has required immediate payment in full under Paragraph 17 above.

19. NOTE HOLDER'S RIGHT TO SELL THE NOTE OR AN INTEREST IN THE NOTE; BORROWER'S RIGHT TO NOTICE OF CHANGE OF LOAN SERVICER
The Note, or an interest in the Note, together with this Security Instrument, may be sold one or more times. I may not receive any prior notice of these sales.

The entity that collects my monthly payments due under the Note and this Security Instrument is called the "Loan Servicer." There may be a change of the Loan Servicer as a result of the sale of the Note; there also may be one or more changes of the Loan Servicer unrelated to a sale of the Note. The law requires that I be given written notice of any change of the Loan Servicer. The written notice must be given in the manner required under Paragraph 14 above and under applicable law. The notice will state the name and address of the new Loan Servicer, and also tell me the address to which I should make my payments. The notice also will contain any other information required by the law.

20. CONTINUATION OF BORROWER'S OBLIGATIONS TO MAINTAIN AND PROTECT THE PROPERTY
The federal laws and the laws of the jurisdiction where the Property is located that relate to health, safety or environmental protection are called "Environmental Laws." I will not do anything affecting the Property that violates Environmental Laws, and I will not allow anyone else to do so.

Environmental Laws classify certain substances as toxic or hazardous. There are other substances that are considered hazardous for purposes of this Paragraph 20. These are gasoline, kerosene, other flammable or toxic petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials. The substances defined as toxic or hazardous by Environmental Laws and the substances considered hazardous for purposes of this Paragraph 20 are called "Hazardous Substances."

Not For Legal Use

I will not permit Hazardous Substances to be present on the Property. I will not use or store Hazardous Substances on the Property, and I will not allow anyone else to do so. I also will not dispose of Hazardous Substances on the Property, or release any Hazardous Substance on the Property, and I will not allow anyone else to do so. However, I may permit the presence on the Property of small quantities of Hazardous Substances that are general recognized as appropriate for normal residential use and maintenance of the Property, and I may use or store these small quantities on the Property. In addition, unless the law requires removal or other action, the buildings, the improvements and the fixtures on the Property are permitted to contain asbestos and asbestos-containing materials if the asbestos and asbestos-containing materials are undistributed and "non-friable" (that is, not easily crumbled by hand pressure).

Not For Legal Use

If I know of any investigation, claim, demand, lawsuit or other action by the government or by a private party involving the Property and any Hazardous Substance or Environmental Laws, I will promptly notify the Lender in writing. If the government notifies me (or I otherwise learn) that it is necessary to remove a Hazardous Substance affecting the Property or to take other remedial actions, I will promptly take all necessary remedial actions as required by Environmental Laws.

21. LENDER'S RIGHTS IF BORROWER FAILS TO KEEP PROMISES AND AGREEMENTS

Not For Legal Use

Except as provided in Paragraph 17 above, if all of the conditions stated in subparagraphs (A), (B) and (C) of this Paragraph 21 are met, Lender may require that I pay immediately the entire amount then remaining unpaid under the Note and under this Security Instrument. Lender may do this without making any further demand for payment. This requirement is called "Immediate payment in full."

If Lender requires immediate payment in full, Lender may bring a lawsuit to take away all of my remaining rights in the Property and have the Property sold. At this sale Lender or another person may acquire the Property. This is known as "foreclosure and sale." In this lawsuit for foreclosure and sale, Lender will have the right to collect all costs and disbursements and additional allowances allowed by law and I will have the right to add all reasonable attorneys' fees to the amount I owe Lender, which fees shall become part of the Sums Secured.

Not For Legal Use

Lender may require immediate payment in full under this Paragraph 21 only if all of the following conditions are met:

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(A) I fail to keep any promise or agreement made in this Security Instrument, including the promises to pay when due the Sums Secured.

(B) Lender sends to me, in the manner described in Paragraph 14 above, a notice that states:

(i) The promise or agreement that I failed to keep;

(ii) The action that I must take to correct that default;

(iii) A date by which I must correct the default. That date must be at least 30 days from the date on which the notice is given;

(iv) That if I do not correct the default by the date stated in the notice, Lender may require immediate payment in full, and Lender or another person may acquire the Property by means of foreclosure and sale;

(v) That if I meet the conditions stated in Paragraph 18 above, I will have the right to have Lender's enforcement of this Security Instrument discontinued and to have the Note and this Security Instrument remain fully effective as if immediate payment in full had never been required; and

(vi) That I have the right in any lawsuit for foreclosure and sale to argue that I did keep my promises and agreements under the Note and under this Security Instrument, and to present any other defenses that I may have.

(C) I do not correct the default stated in the notice from Lender by the date stated in that notice.

22. LENDER'S OBLIGATION TO DISCHARGE THIS SECURITY INSTRUMENT

When Lender has been paid all amounts due under the Note and under this Security Instrument, Lender will discharge this Security Instrument by delivering a certificate stating that this Security Instrument has been satisfied. I will not be required to pay Lender for the discharge, but I will pay all costs of recording the discharge in the proper official records.

23. AGREEMENTS ABOUT NEW YORK LIEN LAW

I will receive all amounts lent to me by Lender subject to the trust fund provisions of Section 13 of the New York Lien Law. This means that if, on the date this Security Instrument is recorded, construction or other work on any building or other improvement located on the Property has not been completed for at least four months, I will: (A) hold all amounts which I receive and which I have a right to receive from Lender under the Note as a "trust fund"; and (B) use those amounts to pay for that construction or work before I use them for any other purpose. The fact that I am holding those amounts as a "trust fund" means that for any building or other improvement located on the Property I have a special responsibility under the law to use the amount in the manner described in this Paragraph 23.

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MORTGAGE NO.: 210189213

RIDER TO SECURITY AGREEMENT (FIXED RATE MORTGAGE)

Rider attached to and forming part of that certain Security Agreement dated this 11TH day of August, 19 99, between the Mortgagor (herein "Borrower") and the Mortgagee, RELIANCE FEDERAL SAVINGS BANK, (herein "Lender")

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IF THE LANGUAGE OF THIS RIDER IS INCONSISTENT WITH ANY LANGUAGE IN THE SECURITY AGREEMENT, THEN THE LANGUAGE OF THIS RIDER SHALL GOVERN. IN THE EVENT THAT THE LENDER TRANSFERS ITS INTEREST OR PART OF ITS INTEREST IN THIS SECURITY AGREEMENT TO THE FEDERAL HOME LOAN MORTGAGE CORPORATION, THE GOVERNMENT NATIONAL MORTGAGE ASSOCIATION OR THE FEDERAL NATIONAL MORTGAGE ASSOCIATION, OR THEIR SUCCESSORS, THEN THE TERMS AND COVENANTS OF THIS RIDER SHALL BE NULL AND VOID AND OF NO EFFECT IMMEDIATELY UPON SUCH TRANSFER.

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24. FLOOD INSURANCE

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The Borrower will keep the buildings on the Property insured against loss by flood if the Property is located in an area identified by the Secretary of Housing and Urban Development as an area having special flood hazards and in which flood insurance has been made available under the National Flood Insurance Act of Nineteen Hundred and Sixty-eight. The Borrower will, at the request of the Lender, assign and deliver the policies to the Lender; and will reimburse the Lender for any premiums paid for insurance by the Lender on Borrower's default in so insuring the buildings or in so assigning and delivering the policies.

25. ADDITIONAL CHARGES

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Paragraphs 22 and 2 (b) of the Security Instruments are supplemented as follows:

"Notwithstanding anything to the contrary contained in Paragraphs 22 and 2 (b) of the Security Instrument, I agree to pay all reasonable charges in connection with servicing of this loan, including but not limited to obtaining tax searches and bills and in processing insurance loss payments, ownership transfers, releases, easements, consents, extensions, modifications, special agreements, assignments, reduction certificates and satisfaction of Mortgage".

26. CHANGE IN LAW

In the event that the Lender is ever required to pay any tax assessments because it is the holder of the note or bond which this Security Agreement is given to secure, the Borrower or any subsequent owner of the premises herein described agrees to reimburse the Lender, its successors, or assigns, for said assessment.

27. LENDER'S RIGHTS TO INSURANCE PROCEEDS IN THE EVENT OF LOSS

Paragraph 5 of the Security Instrument is supplemented by the following:

"Notwithstanding anything to the contrary contained in Paragraph 5 of the Security Instrument, the Lender, in accordance with Section 254, Real Property Law, may use the proceeds to reduce the amount that I owe to Lender under the Note and under this Security Instrument (whether or not repairs have been made by me), or Lender may release the proceeds to me for use in the repair or restoration of the damaged property."

28. INTEREST ON AMOUNTS SPENT BY LENDER TO PROTECT THE PROPERTY OR LENDER'S RIGHTS IN THE PROPERTY

Borrower agrees to pay interest at the same rate stated in the Note or at the highest rate that the law allows, whichever is higher, on all amounts that Borrower must repay lender which Lender may spend to protect the Property or Lender's rights in the Property, all as described in Paragraph 7 of the Security Instrument.

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SALE OF PREMISES IN ONE PARCEL

In case of a sale, the property, or as much as may be affected by this Security Agreement, may be sold in one parcel.

30. CORPORATE BORROWER

If the Borrower is a corporation, the execution of this Security Agreement has been duly consented to and authorized by its Board of Directors.

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ADDITIONAL EVENTS OF DEFAULT

If one or more of the following events shall occur, then the whole of the principal sum of the Security Agreement then remaining in part, shall immediately become due and payable at the option of the Lender.

(A) If any owner of the property fails to comply with all statutes, orders and requirements of the Federal, State and Municipal Governments, or any departments or bureaus thereof having jurisdiction, within three (3) months after an order making such requirements has been issued.

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(B) If the property is used for any unlawful purpose; or is used for purposes other than dwelling; or if it is used for any purpose which increases any hazard, and the Lender has not consented to such use in writing.

(C) If Borrower leases the property without the Lender's prior written consent, except for the granting of a leasehold interest of three years or less which grant does not contain an option to purchase.

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32. NOTICE TO LENDER

The Borrower will give immediate notice in writing to the Lender of any damage from whatever cause to the property or of any conveyance, transfer, or change of ownership of the property.

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33. PURCHASE MONEY MORTGAGE

This is a purchase money Mortgage.

34. NO RIGHT TO DISCONTINUANCE OF LAWSUIT

Rights upon acceleration: Covenants #18 shall be deleted in its entirety and if the Lender requires Immediate Payment in Full, reinstatement of the loan shall be optional with the Lender.

35. CONDEMNATION OF PROPERTY

The second through the fifth sub paragraphs of paragraph 10 of the Security Agreement shall be replaced with the following provisions:

Whether all or part of the Borrower's property is taken through either a condemnation or a sale to avoid condemnation, Lender may apply all of the resulting proceeds toward payment of the amount that the Borrower owes Lender under the Security Agreement and Note. This right to apply proceeds shall exist even if the Borrower's debt is not yet due and payable. The Borrower also agrees that he will sign any document necessary to give Lender the absolute right to any condemnation award that may be obtained as a result of a sale to avoid condemnation.

36. HAZARDOUS WASTE

The Borrower represents and warrants that, to the best of borrower's knowledge, the Mortgaged Property is not now and has not ever been used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce, process or in any manner deal with Hazardous Materials (as hereinafter defined) and that no Hazardous Materials have ever been installed, placed or in any manner dealt with on the Mortgaged Property and that no owner of the Mortgaged Property or any tenant, subtenant, occupant, prior tenant, prior subtenant or prior occupant has received any notice or advice from any governmental agency or any tenant, subtenant or occupant with regard to Hazardous Materials on,

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from or affecting the Mortgaged Property. The Borrower covenants that the Mortgaged Property shall be kept free of Hazardous Materials and shall not be used to generate, manufacture, refine, transport, treat, store, handle, dispose, transfer, produce, process or in any manner deal with Hazardous materials and the Borrower shall not cause or permit, as a result of any intentional or unintentional act or omission on the part of the Borrower or any tenant or subtenant or occupant, the installation of Hazardous Materials in the Mortgaged Property or onto any other property or suffer the presence of Hazard Materials on the Mortgaged Property. The Borrower agrees to comply with and ensure compliance by all tenants, subtenants and occupants with all applicable federal, state and local laws, ordinances, rules and regulations. In the event that the Borrower receives any notice or advice from any governmental agency, any tenant, subtenant or occupant with regard to Hazardous Materials on, from or affecting the Mortgaged Property, the Borrower shall immediately notify the Mortgagee. The Borrower shall conduct and complete all investigations, studies, sampling, and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials, on, from or affecting the Mortgaged Property in accordance with all applicable federal, state and local laws, ordinances, rules, regulations and policies to the satisfaction of the Mortgagee. For these purposes "Hazardous Materials" shall include, without limitation any flammable explosives, radioactive materials, hazardous materials, hazardous wastes, hazardous or toxic substances, or related or similar materials, asbestos or any material containing asbestos, or any other substance or material as defined by any federal, state of local environmental law, ordinance, rule or regulation, including, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sections 9601, et. seq.), the Hazardous Materials Transportation Act, as amended (49 U.S.C. Sections 1801, et. seq.), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Sections 9601, et. seq.), and in the regulations adopted and publications promulgated pursuant thereto. These obligations and liabilities of the Borrower shall survive any foreclosure involving the Mortgaged Property or the delivery of a deed in lieu of foreclosure. The Borrower shall protect, indemnify and save harmless the Mortgagee from and against all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses (including without limitation, reasonable attorney's fees and expenses), imposed upon or incurred by or asserted against the Mortgagee by reason of (i) the presence, disposal, escape, seepage, leakage, spillage, discharge, emission, release or threatened release of any Hazardous Materials on, from or affecting the Mortgaged Property or any other property; (ii) any personal injury (including wrongful death) or property damage (real or personal) arising out of or related to such Hazard Materials; (iii) any lawsuit brought or threatened, settlement reached, or government order relating to such Hazardous Materials; or (iv) any violation of laws, orders, regulations, requirements, or demands of government authorities, or any policies or requirements of the Mortgagee which are based upon or in any way related to such Hazardous Materials including, without limitation, attorney or consultant fees, investigation and laboratory fees, court costs, and litigation expenses.

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Not For Legal Use
Not For Legal Use
Not For Legal Use

37. 30-DAY DEFAULT PROVISION

If Borrower fails to pay any installment of principal or interest within thirty (30) days after it is due; or if Borrower fails to pay any taxes, water or sewer charges or other assessments against the Property within thirty (30) days after such taxes or charges become due; or if Borrower fails to pay any premiums for policies insuring the buildings on the Property against loss by fire when such premiums are due; or if Borrower fails to reimburse the Lender for premiums paid by it for such insurance; or if Borrower fails to assign and deliver the policies of such insurance to the Lender after notice and demand, then the Lender may, at its option, demand that Borrower pay the then outstanding principal balance of the Security Agreement loan and all interest then due.

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Borrower's failure to keep any promise or agreement made in the Note, or the Security Agreement, or this or any other applicable Security Agreement Rider will be a material default giving the Lender sufficient reason to require the entire principal and interest to be due and payable in full.

IN WITNESS WHEREOF, I have signed this Rider to Security Agreement dated the date first above.

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WITNESS

Robert W. Gerdis
BORROWER ROBERT W. GERDIS

Lynn A. Gerdis
BORROWER LYNN A. GERDIS

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SWORN TO BEFORE ME
THIS 11TH DAY OF August, 1999

NOTARY PUBLIC

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JEANETTE [illegible]
NOTARY PUBLIC, State of New York
No. 01SO[illegible]
Qualified in Suffolk County
Commission Expires May [illegible], 200[illegible]

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SONYMA RIDER TO FNMA/FELMC MORTGAGE

SONYMA # 870-55626

Borrower Name(s) ROBERT W. GERDIS & LYNN A. GERDIS

This SONYMA Rider is made this 11th day of AUGUST, 19 99, and is incorporated into and shall be deemed to amend and supplement the Mortgage (the "Security Instrument") of the same date given by the undersigned to secure the undersigned's Note to RELIANCE FEDERAL SAVINGS BANK (the "Lender") of the same date. In the event of any inconsistency between the following sections and anything contained in the Security Instrument shall mean that the terms contained in the applicable section of this Rider shall govern:

1. OWNER OCCUPANCY REQUIREMENT

The provisions of this section shall be substituted for the provisions of Section 6(A) of the Security Instrument.

I covenant and agree that I shall within 60 days from the date hereof and thereafter occupy the Property as my primary residence. In the event I shall fail to occupy the Property as aforesaid, then the entire principal balance together with accrued interest under the Note shall, at the option of the Lender, become immediately due and payable.

2. LENDER'S RELIANCE ON BORROWERS REPRESENTATIONS

A new covenant is added to the Security Instrument as follows:

I hereby warrant and represent that all affirmations made in the Recapture Notification and Mortgagor's Affidavit or in the Mortgagor's Affidavit, as applicable, executed by me and reaffirmed as of the date hereof which have been relied upon by the Lender in the granting of the loan that I promise to pay under the Note, are true and correct. In the event during the term of the loan that I promise to pay under the Note it is discovered that I have made any false statements on the aforementioned affidavits, then the entire principal balance together with accrued interest under the Note shall, at the option of the Lender, become immediately due and payable.

3. LENDER'S RELIANCE ON BORROWERS SUBMISSION OF APPROPRIATE DOCUMENTATION

A new covenant is added to the Security Instrument as follows:

I hereby warrant and represent that all documents required to be delivered by me in connection with the granting of the mortgage loan, including any and all documentation necessary for the verification of affirmations made in the Recapture Notification and Mortgagor's Affidavit or in the Mortgagor's Affidavit, as applicable, executed by me and reaffirmed as of the date hereof, have been delivered by me and are in complete and correct forms as to matters set forth therein.

In the event the Lender determines this documentation was not delivered in the required manner as set forth above, I agree to execute and complete these documents as requested by the Lender. If during the term of the loan that I promise to pay under the Note I do not provide the above required document- ation as requested, then the entire principal balance together with accrued interest under the Note shall, at the option of the Lender, become immediately due and payable.

4. TRANSFER OF PROPERTY; ASSUMPTION

The provisions of this section shall be substituted for the provisions of Paragraph 17 of the Security Instrument.

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If I sell or transfer any part of the Property or interest therein without Lender's prior written consent, excluding (a) the creation of a lien or encumbrance subordinate to this Security Instrument, (b) the creation of a purchase money security interest for household appliances, or (c) a transfer or devise, by descent or by operation of law upon the death of a joint tenant, Lender, at Lender's option, shall declare all sums secured by this Security Instrument to be immediately due and payable. Lender shall have waived such option to accelerate if, prior to the sale or transfer, Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory, all other requirements, including federal tax law requirements not related to the credit of such person, are met, and that the interest payable on the sums secured by this Security Instrument shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this paragraph and if my successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release me from all obligations under this Security Instrument and the Note.

If Lender requires Immediate Payment in Full under this Paragraph, Lender will send me, in the manner described in Paragraph 14 above, a notice which states this requirement. The notice will give me at least 30 days to make the required payment. The 30-day period will begin on the date the notice is mailed or, if it is not mailed, on the date the notice is delivered. If I do not make the required payment during that period, Lender may bring a lawsuit for "foreclosure and sale" under Paragraph 21 below without giving me any further notice or demand for payment. (See Paragraph 21 for a definition of "foreclosure and sale.")

5. BORROWER'S OBLIGATION TO PAY MORTGAGE INSURANCE PREMIUMS

The provisions of this section shall be substituted for the provisions of Paragraph 8 of the Security Instrument.

If Lender required mortgage insurance as a condition of making the loan that I promise to pay under the Note, I will pay the premiums for that mortgage insurance. I will pay the premiums until the requirement for mortgage insurance ends according to my written agreement with Lender or according to law. No consideration will be given to my request for cancellation of mortgage insurance based on appreciation of the value of the property. Lender may require me to pay the premiums in the manner described in Paragraph 2 above.

6. LAW THAT GOVERNS THE SECURITY INSTRUMENT

Notwithstanding the provisions of Paragraph 15 of the Security Instrument, the law that applies in the place where the Property is located shall govern the Security Instrument.

7. RIDERS TO THIS SECURITY INSTRUMENT

A) Section 24 of the Security Instrument is supplemented by the inclusion of this SONYMA Rider.

B) Notwithstanding anything therein to the contrary, Covenant F of the 1-4 Family Rider shall not apply to the Security Instrument.

Borrower ROBERT W. GERDIS

Borrower LYNN A. GERDIS

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24. RIDERS TO THIS SECURITY INSTRUMENT
If one or more riders are signed by Borrower and recorded together with this Security Instrument, the promises and agreements of each rider are incorporated as a part of this Security Instrument. [Check applicable box(es)]

[ ] Adjustable Rate Rider	[ ] Condominium Rider	[ ] 1-4 Family Rider
[ ] Graduated Payment Rider	[ ] Planned Unit Development Rider	[ ] Biweekly Payment Rider
[ ] Balloon Rider	[ ] Rate Improvement Rider	[ ] Second Home Rider
[ ] V.A. Rider	[ ] Other(s) [specify]	

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MORTGAGE RIDER

BY SIGNING BELOW, I accept and agree to the promises and agreements contained in pages 1 though 10 of this Security Instrument and in any rider(s) signed by me and recorded with it

Witnesses:

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_____ (Seal)
-Borrower
ROBERT W GERDIS

_____ (Seal)
-Borrower
LYNN A GERDIS

Not For Legal Use

_____ (Seal)
-Borrower

_____ (Seal)
-Borrower

STATE OF NEW YORK, NASSAU County ss:

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On this 14TH day of August, 1998, before me the undersigned, a Notary Public in and for said state, personally appeared
ROBERT W. GERDIS & LYNN A GERDIS

personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument, and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument

_____
Notary Public

JEANETTE SOMMO
NOTARY PUBLIC, State of New York
No. 01SO4823349
Qualified in Suffolk County
Commission Expires May 31, 2001